

March 14, 2013

Dear House Ag Committee Members,

Regarding HB574 (raw milk), in further discussion with the Idaho Department of Agriculture bureau chief, Marv Patten, using figures Idaho uses to implement their current program, **the cost for the Montana Department of Livestock to implement the testing for the small herd exemption as written in HB574 should be a little over \$8000 (using liberal calculations), not the over \$278,000 DOL claims.** Mr. Patten has 30 years experience as a dairy farmer and also several decades working in Idaho's Department of Agriculture, so he is very familiar with both sides of the issue. Even though the testing parameters are being removed to get DOL out of the loop, I wanted this recorded in case it's needed. There may be too many members outside of the two Ag committees who believe that raw milk is dangerous and want testing back in.

Idaho has *two part time* (less than half time) trained staff (30 minutes to train) to cover all 125 farms in the state for *monthly* testing. Again, only 35 of those in the Panhandle. Mr. Patten pays the two samplers \$14/hour and provides two Chevy Cavaliers that get 35 mpg. Our testing per the bill language would be random quarterly and mileage would need to be reimbursed since the Department would not provide vehicles. By Mr. Patten's calculations, the cost to the state of Montana would be estimated at \$8080 a year to both pay two part time samplers and reimburse mileage.

**Here's how:** Idaho's two samplers logged 292 and 248 miles respectively for February, but the average over the year was higher (milk production decreases during winter and goats/sheep apparently don't milk during winter.) With Montana's expanded geography, we liberally estimated 1000 miles per each sampler per quarter. As our testing would be every three months, the hardest winter months are avoided if vehicle access is an issue.

Mr. Patten estimated we would start with maybe 50 farms (he was spot-on when estimating how many farms Idaho would have to sample when his bill was implemented), but we'll use the liberal number that DOL used of 100 farms, 50 farms for each sampler. Mr. Patten estimated it would take five 8-hour days for each sampler to collect from their designated farms. The state lab does milk testing Tuesday through Thursday. Using 8 hour days, 10 days total (5 days each) = 80 hours total per quarter X \$14/hr x 4 quarters = \$4480 per year wages, plus mileage. Liberally, 1000 miles per sampler X 4 quarters X 2 samplers = 8000 miles/year total X .45/mile = \$3600 total for both samplers. Adding that \$3600 for mileage to the \$4480 for wages for both = \$8080 per year total wages and mileage for both samplers together. Because of the independent lab provision in the bill, samplers could deliver the samples to the nearest certified lab, or overnight them to the state lab, if paying mileage to the sampler would be at a higher cost. Mr. Patten estimated an overnight shipping charge to be \$20.

Mr. Patten explained that there should not be much more cost to DOL for the program other than periodically having to send out an occasional letter to a small farmer. DOL should be able to use the same software they currently use for the Grade A dairies to keep track of names of the small farmers and testing results, etc. The rules for this program should be codified in the bill, not something DOL comes up with.

Because of the massive discrepancy between \$278,000 versus the \$8000 the man who currently implements Idaho's program detailed for us, there is a **Sponsor's Exhibit** (informal response to the fiscal note) drawn up by a friend on Appropriations and myself detailing these numbers if needed in the future. Hopefully there will be enough people in the full House who disagree with the "statistics" and understand raw milk is not dangerous.

/s/ Chris Rosenau